GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1683
ANSWERED ON:19.11.2010
LOAN TO FARMERS
Tomar Shri Narendra Singh

Will the Minister of FINANCE be pleased to state:

(a) the number of small farmers who belonged to the Scheduled Tribes and Backward Classes have been provided loan by the Regional Rural Banks (RRBs) during the last three years. State-wise including Madhya Pradesh:

(b) the measures taken by the Government to remove the obstacles faced by the RRBs in providing loans to the farmers; and

(c) the details of the success achieved by the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a) to (c): The information, as asked for is not maintained centrally as informed by RBI/NABARD. However the Government of India(GoI) has taken the following steps to ensure availability of timely and affordable credit to the farm sector:

(i) The Government of India has implemented the Agricultural Debt Wavier and Debt Relief Scheme,2008, and made farmers eligible for fresh credit from Banks.

(ii)The GoI is providing interest subvention to banks since Kharif 2006-07 to ensure Short Term crop loans upto Rs.3 lakh to farmers at interest rate of @7% per annum at the ground level. One percent additional interest subvention is being provided for prompt repayment as well for the year 2009-10 and 2% for the year 2010-11.

(iii) Banks have been advised for adoption of simplified procedure for documentation for agricultural loans. Further, loans upto Rs. 1,00,000/- have been made collateral and margin free and the requirement of `No Dues Certificate` has been dispensed with.

(iv) Banks have been advised to provide all eligible farmers with Kisan Credit Cards.

(v) Small borrowers whose loans are settled under the `one time settlement scheme` have been made eligible to access fresh credit.

(vi) RRBs have been advised to undertaken aggressive branch expansion programme.

In addition the flow of credit to agriculture by RRBs during last 3 years are as under:

	(No. in thousand)	(Rs. in crore)		
Year	Total Agriculture Loans issued		Total Agriculture Loan Outstanding	
	No. of A/c	Amount	No. of A/c	Amount
2007-08	6274	25312	10454	33215
2008-09	7547	26765	10017	37367
2009-10	7308	34456	11495	46281